

Hearing Date: November 29, 2005 at 10:00 a.m.
Objection Deadline: November 25, 2005 at 4:00 p.m.

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:)	
)	Chapter 11
DELPHI CORPORATION, <i>et al.</i> ,)	
)	Case No.05 -44481 (RDD)
Debtors.)	
)	(Jointly Administered)
)	

RESPONSE OF UAW IN SUPPORT OF RELIEF REQUESTED IN DEBTORS' SUPPLIER
AGREEMENT ASSUMPTION MOTION [Related to Docket No. 1098]

International Union, United Automobile, Aerospace and Agricultural Implement Workers
of America ("UAW"), by its undersigned counsel, submits this response in support of the relief
requested by Delphi Corporation, *et al.*, in the Debtors' Supplier Agreement Assumption
Procedures Motion (the "Supplier Agreement Motion"),¹ and states as follows:

¹ Motion for an Order Under 11 U.S.C. §§ 363(b) and 365(a) and Fed. R. Bankr. P. 9019
Approving Procedures to Assume Certain Amended and Restated Sole Source Supplier
Agreements, dated November 18, 2005.

Statement In Support of Request for Relief

1. The UAW is the exclusive collective bargaining representative of 24,000 hourly production and maintenance employees employed at twenty-one Delphi facilities located throughout the country. UAW also serves as the authorized representative of nearly 10,000 retirees. UAW-represented workers represent almost one-half of the Debtors' U.S. workforce. UAW-represented employees are employed at Delphi facilities that manufacture and produce a wide range of products, including automotive steering components, fuel systems, climate control systems, instrument panels, batteries and related battery components, valvetrains, and electronic devices such as audio systems and ignition and steering electronics.

2. The Supplier Agreement Motion seeks authority for approval of procedures whereby Delphi may assume, subject to certain conditions, certain supplier agreements that meet specified criteria, *i.e.*, agreements covering the supply of goods that are not readily available from another supplier in sufficient quantities to avoid an interruption in operations and Delphi's supply of products to their customers, and without which the Debtors would face an imminent shutdown of operations at one or more locations. *See* Supplier Agreement Motion, ¶ 15. The Debtors propose certain mandatory minimum provisions from the Covered Suppliers in exchange for assumption of the Assumable Agreements and specify certain Required Minimum Provisions. *Id.*, ¶¶ 20-22. The Supplier Agreement Motion is designed to avoid production shut downs caused by interruptions in critical supplies. By placing in jeopardy the Debtors' continued ability to fulfill their customer agreements, supply interruptions also jeopardize jobs, including those at facilities employing UAW-represented employees. Because the supply chain involves countless

supply agreements that form complex inter-dependent relationships directly affecting Delphi's ability to fulfill its customer agreements, and given the impact a disruption in the supply chain could have on Delphi's hourly employees, UAW supports the request for relief.²

Conclusion

For the foregoing reasons, the Debtors' Motion should be granted.

Dated: November 25, 2005
New York, New York

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² The UAW has voiced concerns, in its prior court filing and elsewhere, about Delphi's priorities and proposed agenda for its restructuring. This statement in support is not an endorsement of such priorities and proposed agenda, but merely a recognition of a mutual interest in maintaining Delphi's supply chain.